

Message Text

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PAGE 01 MADRID 03507 061214Z
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-01 INR-07
L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15
USIA-06 AID-05 COME-00 EB-07 FRB-03 TRSE-00
XMB-02 OPIC-03 LAB-04 EPG-02 SIL-01 OMB-01 /086 W
-----070534Z 045431 /11

R 061115Z MAY 77
FM AMEMBASSY MADRID
TO SECSTATE WASHDC 141
INFO AMEMBASSY BONN
AMCONSUL DUSSELDORF

LIMITED OFFICIAL USE MADRID 3507

E.O. 11652: N/A
TAGS: EFIN, SP
SUBJECT: OFFICIAL COMMENT ON POSSIBLE DEVALUATION, AND
CAPITAL FLIGHT

1. THE MADRID DAILY "ABC" HAS PRINTED STATEMENTS ON A
POSSIBLE PESETA DEVALUATION, REPORTEDLY MADE BY SPANISH
UNDER SECRETARY OF FINANCE BASANTA DURING A MAY 5 PRESS
CONFERENCE AT THE CHAMBER OF COMMERCE AND INDUSTRY IN
DUSSELDORF, GERMANY.

2. AS PRINTED BY ABC ON MAY 6 THE EXCHANGE WAS:

QUOTE:

QUESTION: WILL THERE BE A DEVALUATION?

(BASANTA) ANSWER: THE ATTACKS SUFFERED BY THE PESETA IN
THE LAST THREE MONTHS HAVE DIMINISHED. TENSIONS IN THE
FOREIGN EXCHANGE MARKET ARE TODAY LESS PRESSING. I DON'T
BELIEVE THE DEVALUATION MIGHT TAKE PLACE (SE PRODUZCA)
BEFORE THE (JUNE 15) ELECTIONS, AND - IN THE EVENT
THE NEW GOVERNMENT CONSIDERS IT NECESSARY TO ADOPT
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THAT MEASURE - IT WILL NEVER BE DEPRECIATED MORE THAN
FIFTEEN PERCENT.

QUESTION: WHAT IS THE PRESENT VOLUME OF CAPITAL FLIGHT?

ANSWER: IT IS IMPOSSIBLE TO CALCULATE IT. THERE ARE
MUCH MORE SOPHISTICATED MEANS OF TAKING MONEY THAN THE

CLASSICAL SYSTEM OF THE VALISE FILLED WITH BANKNOTES.
ESTIMATES ARE ONLY POSSIBLE THANKS TO THE VOLUME OF
PESETAS APPEARING IN INTERNATIONAL MARKETS, FOR EXAMPLE THE
SWISS ONE. BUT I CAN ASSURE THAT CAPITAL FLIGHT IS MUCH
BELOW THE NUMBERS THAT THE PRESS HAS LATELY TRICKED UP
(BARAJADO).STABLER

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS COMMENTS, DEVALUATION RUMORS, PESETA
Control Number: n/a
Copy: SINGLE
Sent Date: 06-May-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977MADRID03507
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770160-0932
Format: TEL
From: MADRID
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770586/aaaacvwd.tel
Line Count: 68
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 1bbb8a99-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 11-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2617356
Secure: OPEN
Status: NATIVE
Subject: OFFICIAL COMMENT ON POSSIBLE DEVALUATION, AND CAPITAL FLIGHT
TAGS: EFIN, SP
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/1bbb8a99-c288-dd11-92da-001cc4696bcc
Review Markings:
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